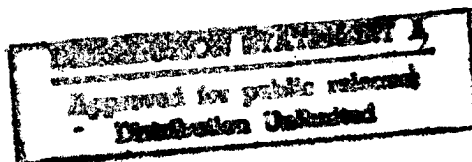


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USSR Report

INTERNATIONAL ECONOMIC RELATIONS

No. 31

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USSR WORLD TRADE

SOVIET INDEBTEDNESS TO WEST DISCUSSED

Duesseldorf HANDELSBLATT in German 27 Apr 82 p 8

[Article by Peter Martin: "Indebtedness of the USSR: Moscow Keeps Its State Secret Very Well"]

[Text] HANDELSBLATT, Saturday/Sunday, 24/25 Apr 1982 pm Duesseldorf. The estimates of the indebtedness of the USSR to the West differ--depending on the source--by 20 billion German marks after conversion. All observers are in agreement only concerning the fact that during the past year and a half Moscow has gone further into debt with firms and banks.

For several months the USSR has been making efforts to cover its high demand for foreign exchange in the most diverse ways. At the markets for gold, oil and diamonds there was talk at times about the hectic activities of the Russians. Especially during the imposition of martial law in Poland, the supply in February was pressing to some extent, quite contrary to the former habits of the Soviet traders, for in former years the Russians knew much better how to adjust to the market conditions.

By the end of March gold prices were depressed to such an extent by Soviet sales that, according to rumors, Moscow proceeded to deposit the gold with banks as security in order to obtain credit, rather than to sell it. According to Swiss sources, this transaction supposedly involved 6.4 to 9.2 million fine ounces valued at 2.1 to 3.2 billion dollars at that time. It also attracted attention, for example, that some of the foreign trade organizations sought a delay of payment from their Western suppliers.

According to reports from London, some banks, especially those from the United States, reduced their activities in foreign exchange trade with the Soviet Bank for Foreign Trade. A certain reticence also seems to find expression in the behavior of the German banks. While the total indebtedness, depending on the source, increased by up to 15 billion German marks after conversion, Moscow's liabilities to West German institutions, according to data of the German Institute for Economic Research, rose only by scarcely 340 million German marks in 1981.

To be sure, all estimates of [Soviet] indebtedness stand very much on shifting ground since the Russians themselves provide no data of any kind. Banks and observers of the financial markets, therefore, encounter difficulties in their estimates. If in banking circles a total debt of 19 billion dollars is frequently mentioned,

as of the end of 1981, other statements also proceed from considerably larger figures. Including credits from suppliers, the United Nations, for example, gave the figure of 19.5 billion dollars net, i. e., after the deduction of credit balances in Western banks. That would correspond to a gross figure of approximately 24 billion dollars.

Most pessimistic thus far was the Schweizerische Kreditanstalt, which after all gave a figure of net indebtedness of 23.7 billion dollars, which would be equivalent to a gross figure of 28 billion dollars.

The Estimates Differ Greatly

The Institute, at the same time, bases itself on UN figures and, in addition, takes into account the debts of the CEMA banks located in Moscow. The calling on further estimates by the BIZ [Bank for International Settlement] of 10.9 billion dollars net as of the end of September 1981, the American secret service, the CIA, of a gross figure of close to 18 billion at the end of 1980 and 15.5 net at the end of 1981 by the well-known Wharton Institute, too, by no means clarifies the picture in any way.

Correspondingly, more recent figures than the end of 1981 cannot be obtained at all. However, one can probably proceed from the assumption that the debts of the USSR in the West have in the meantime surpassed 20 billion dollars gross. This debt would be offset by an estimated 3 to 5 billion dollars in credit balances. The estimates agree on only on the fact that the net indebtedness of the USSR has clearly increased in 1981 and, what is more, mainly as a result of a drastic reduction of the credit balances. Banking circles in Frankfurt give a figure of 6 to 7 billion dollars for the increase, and the Schweizerische Kreditanstalt and the UN data are in line with this estimate. According to the Zurich figures, which are also based on UN data, Moscow's net indebtedness would have increased by a factor of 20 during the past decade.

Responsible for this drastic increase are debits which precisely during the past year and a half have increased substantially. According to estimates, Moscow had to expend approximately 2 billion dollars in foreign exchange in 1981 and again about 500 million dollars during the current year.

Beyond this the bad harvests of the Soviet Union, above all, must be mentioned. If, for example, a grain harvest of 236 million tons was planned for 1981, only 170 to 175 million tons were actually produced, according to estimates by the U. S. Department of Agriculture. The import requirement of, after all, 45 million tons in 1981 made the USSR the largest grain importer in the world. High interest and low proceeds from gold, diamond and oil sales because of falling prices on these markets, were another contributing factor.

Thus far these data apparently were incapable of affecting the credit standing too much. In a list of country risks published semi-annually by the well-known U. S. journal INSTITUTIONAL INVESTOR, the USSR ranked in the 26th place, which, by compared to its prior ranking, is even an improvement by one place. To be sure, Moscow had to be satisfied with a rank behind Taiwan or Spain, but the Russian borrowers were apparently not classified as markedly risky.

People think in this connection probably of the enormous natural resources of the country and perhaps a little of the gold accumulation, which the CIA at the end of 1980 estimated as 58 million fine ounces, which would correspond to about 20 billion dollars, according to today's prices. To be sure, such quantities could hardly be sold at reasonable prices on the markets.

The Euromarket, on the other hand, proved to be very sensible. While the state trade countries had still borrowed 3.7 billion dollars in 1979, there, this figure was no more than 1.5 billion dollars in 1981, according to OECD data, in connection with which the 4th quarter of the past year, with only 150 million in borrowed funds for all East bloc countries, came out particularly badly. "At the moment the Russians have nothing going for them on the Euromarket anymore,"--this, then, is the view of a banker in Luxembourg, who was asked for his view on further credit extensions to the Soviet Union.

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USSR-CEMA TRADE

COORDINATION OF ECONOMIC POLICY OF CEMA COUNTRIES

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 12, Dec 81
pp 42-53

[Article by K. Mikul'skiy: "The Coordination of Economic Policy Is an Urgent Need of the Socialist Community"]

[Text] The Embodiment of the New Type of International Relations

At the 26th CPSU Congress L. I. Brezhnev emphasized the unremitting attention of our party to the strengthening of friendship and cooperation with the socialist states and noted that "our relations with the countries of the socialist community are developing precisely in this spirit."

The socialist community is a multistate social organism, of which the implementation of the principles of socialism in domestic life and in the interrelations of the countries serves as the basis. Entry into the socialist community attests that the country in practice takes into account the objective laws of the formation and development of the new society on a national and international scale.

It is well known that some countries, having implemented socialist changes and embarked on the path of the building of socialism, nevertheless as a result of zig-zags of domestic development and their own foreign policy found themselves outside the socialist community or even pitted themselves against it. This fact reflects merely the possibility of the temporary deviations of individual states from the main path of unity and solidarity. At the same time the obvious negative consequences of such deviations for the countries which permitted them and for all world socialism convincingly confirm the objective need for this main path.

The formation and strengthening of the socialist community denote the natural combination for world socialism of the process of quantitative growth--the increase of the number of countries included in it and the qualitative process of its consolidation, during which a united collective of socialist states is formed. This international collective, which consists of independent, sovereign countries, owing to the extensive interrelations between them has specific qualitative features. Precisely they make it possible to speak about the socialist community not as a simple combination of states which are if only similar with respect to their system, but as a specific concrete historical form of their unification and interaction, a special international community, which is equal to socialism, with the laws inherent in it.

The scientific concept of the socialist community, which was elaborated and is being implemented by the joint efforts of the Communist and Workers Parties of the fraternal countries, reveals these traits: the uniformity of the social system; extensive cooperation in conformity with the principles of mutual assistance and reciprocity; the closer and closer interdependence of the successes and failures of the individual countries; the increasing influence of the situation in each country on the development of the entire community, its international positions and retroaction; the increase of the coordination of actions (including on questions of relations between the two opposing world social systems); trust and a friendly moral and political atmosphere of interrelations. All this enables each country to use cooperation for the purposes of solving national problems and expediting its own development, but also dictates joint responsibility for the successful development of the entire community.

When we say that the uniformity of the social system is the fundamental principle of the entire community, we mean first of all that this system is socialist. For the uniformity existing in the capitalist world does not change the essence of the interrelations of the individual countries. Only the socialist system creates the necessary social conditions for the international relations of the new type, which were characterized at the 26th CPSU Congress as "truly just, equal and fraternal."

The uniform direction and consistency of the fundamental needs of the socialist countries in principle afford the opportunity for their harmoniously interconnected, coordinated satisfaction. The coordination and pooling of efforts for the realization of this possibility, to be sure, will yield a great economic and social impact. The socialist countries are closely interconnected in their present development and historical prospects. Such is the objective social basis of the international relations of the new type.

Hence stems the main, decisive law of the socialist community--the pooling of efforts, closer and closer cooperation, which is based on the principle of socialist internationalism, in the accomplishment of the tasks of building socialism and communism.¹ Thus, in the sphere of economics the need for and effectiveness of this cooperation are dictated by the advantages of the cooperation of the labor of the peoples of the socialist countries, by means of which a qualitatively higher level of the development of the productive forces is achieved. Here the fundamental combination of the technical and economic possibilities of increasing production efficiency on the basis of the international division of labor with a new social content occurs. The latter makes it possible to develop it according to a plan, in conformity with the economic laws of socialism, in the interests of each country with the combination of reciprocity and mutual assistance.

The implementation of this law depends to an enormous extent on such areas of social life as ideology and politics. The objective needs for cooperation should be thoroughly realized by the leadership and workers of the socialist

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1. The set of natural traits of the development of the socialist community along with the increase of the cooperation of the countries includes the convergence and equalization of the levels of economic development, the internationalizations of the elements of the organization of social production, which have justified themselves best, and so on. As a whole this set of traits acts as the law of the all-round convergence of the socialist states.

countries. They are also included in the mechanism of intrastate and international social life as an important aspect of the realized national interests. This subjective factor is becoming a mighty stimulus of cooperation and is giving an incentive to seek its efficient forms and mutually acceptable solution of difficult questions.

The law of the closer and closer cooperation of the countries in the spirit of socialist internationalism conveys the main content, the essence of the relations between them. The sovereign nature of the countries is responsible for another law of the socialist community--cooperation by the coordination of national interests and policy. Such coordination, which takes into account the specific national nature, is carried out in the form of a direct understanding between the executive organs of the countries or by means of joint interstate organizations, but in the absence of any suprastate organ. This law reflects the objectively necessary form of the cooperation of the countries.

As a result, that type of the social organization of world socialism, in which the increasing community of the countries in all areas of life, their cooperation and convergence, as well as state sovereignty are combined, formed in historical practice. This type is natural not only for the present stage, but also for the entire really foreseeable future.

Thus, the socialist community is a set of equal and sovereign states which are united by the common character of the socialist social system, the unity of fundamental goals and interests, cooperation and mutual assistance, the fundamental unity of views and mutual trust and which carry out close cooperation in the most important areas of social life on the basis of the coordination of their policy on the necessary scale and in the appropriate forms.

The main direction of the development of the socialist community is the all-round convergence of the fraternal countries in the direction of socialist economic integration, the extension of political and ideological cooperation, the mutual enrichment of national cultures, the sharing of know-how and the international use of those forms and methods of the development of socialist society, which have given a good account of themselves in the practice of individual countries and can be effective under the conditions of other states. The increase of the coordination of the work on the further development of the economy is of key importance.

At the present stage the objective need for the intensification of the internationalization of socialist reproduction is increasing. It is manifested in the increase of the interaction and interconnection of national-state reproduction processes--that specific manifestation of the gradual international socialist socialization of production. The intensification of this process leads to the formation and increase of the maturity of the international reproduction system on the scale of all the cooperating countries, and in the remote historical future to unified world socialist reproduction.

The fact that from 1971 to 1980 the commodity turnover between the CEMA member countries increased 3.3-fold with an increase of the national income by 66 percent and industrial output by 84 percent, attests to the strengthening of the economic relations of the CEMA member countries. A qualitatively important characteristic of these relations is the increase of the role of the exchange of products of the

processing industry on the basis of agreements on the specialization and cooperation of production. Thus, the volume of exports of machines and equipment in the reciprocal trade of the CEMA countries increased considerably more rapidly than the output of machine building and reflected to a greater and greater extent the intensification of international specialization in this area, which is being developed according to plan. The volume of exports of specialized products of machine building in the reciprocal trade of the CEMA member countries in 1980 had increased sevenfold as compared with 1971, while their proportion in the deliveries of machines and equipment came to 34 percent.

The national-state reproduction processes of the individual countries are becoming subsystems of the international reproduction system, which is the set of national-state reproduction processes with their steady and thorough mutual complementarity and interdependence, which are indispensable conditions of their normal operation with the preservation of national-state independence.

While increasing the cooperation of the national economies, the countries of the socialist community are taking more and more completely into account the need to be guided by the principle of the adequacy of the fundamental scheme (model) of the reciprocal interstate reproduction ties and the basic traits of the economic mechanism of cooperation to the forming type of reproduction, which is typical of the economy of the mature socialist society.²

The highly developed and efficient system of interstate reproduction ties, which operates according to plan by means of the corresponding economic mechanism of cooperation and is stimulated by it, is called upon to ensure the extensive involvement of external factors of economic growth in the solution of the problems of the intensification of production, the improvement of its pattern, the utilization of social motive forces and the achievement of the social goals of the economy of mature socialism. Such a system of interstate reproduction ties can be formed only in the case of the more and more extensive coordination of the economic policy of the socialist states.

Joint Planning Activity

The 26th CPSU Congress directed attention to the greater and greater revelation, enrichment and practical development of the basic features of the socialist community. The congress devoted special attention to the problems of the further intensification of socialist integration. The conclusion formulated in the report of L. I. Brezhnev that "life itself is setting the task--to supplement the coordination of plans with the coordination of economic policy as a whole," is of program importance. This is a fundamentally important development of the provisions of the Comprehensive Program of Socialist Economic Integration on mutual consultations on basic questions of economic policy.³

2. For more detail see K. Mikul'skiy, "On the Type of Reproduction in the Developed Socialist Economy" (VOPROSY EKONOMIKI, No 2, 1981).

3. See "Kompleksnaya programma dal'neyshego uglubleniya i sovershenstvovaniya sotrudnichestva i razvitiya sotsialisticheskoy ekonomicheskoy integratsii stran-chlenov SEV" [Comprehensive Program of the Further Intensification and Improvement of Cooperation and the Development of the Socialist Economic Integration of the CEMA Member Countries], Moscow, 1971, pp 17-19.

The conclusion about the need to coordinate economic policy reflects the experience gained during the decade of the implementation of the Comprehensive Program of Integration. Under the conditions of the enrichment and complication of the mutual economic relations of the CEMA member countries, the increase of the interdependence of the rates and proportions of their reproduction processes and the increase of the extent of involvement in the world division of labor the inadequacy of the level of the coordination of the development of the national economies, which is based on the existing forms of joint planning work, came to light.

What is the arsenal of these forms, what problems are solved by means of them, in what is their inadequacy manifested? Historically the first form of joint planning activity is the coordination of the five-year plans of the CEMA countries. It is notable for specificity and approximation of the everyday practice of management and affects an extensive group of sectors and works. The experience of coordination already covers six 5-year periods, including 1981-1985. The coordination of the plans played and continues to play an important role in the development of cooperation and in the development of the economy of the CEMA member countries. This form has great possibilities for improvement, and its importance will increase. (For example, when coordinating the plans for 1981-1985 coordination for a longer period was carried out with respect to individual questions.)

However, so far a number of limitations are characteristic of this form of joint planning activity. Thus, the coordination of the production tasks of the different countries, just as of the directions of their participation in the international socialist division of labor, is being carried out indirectly, through the coordination of the volumes of reciprocal deliveries of the most important goods and only to the extent to which it follows from this coordination. Thus, the meeting of the import needs of the countries (the coordination of Soviet deliveries for the supply of fuel and raw materials to the fraternal states holds an especially important place) is the direct goal and result of the coordination of the plans.

Originally the coordination of the plans was accomplished after the adoption by the countries of their own 5-year assignments. This limited the possibilities of their adjustment with allowance made for the tasks of cooperation. Then the coordination of the plans began to be concluded prior to their final approval by national organs. However, as in the past the coordination of the needs of each of the countries for goods and the possibilities of meeting them by imports from the fraternal states is being carried out with reference to the national concepts of economic growth, which are the basis for the plans. The concepts were elaborated independent of each other and therefore inadequately reflect the possibilities of the intensification of economic cooperation and the factors which objectively limit it. Under these conditions it is inevitable that the specialization and cooperation of production, which stem from the coordination of reciprocal deliveries, are subordinate more to the achievement in each state of an equilibrium of the balance of needs and resources with respect to individual types of goods than to the increase of the efficiency of the economy.

While gaining experience in coordination, the CEMA countries enriched and improved the joint planning activity in three interconnected directions: the development of the conceptual basis of joint planning activity, which determines the goals, directions and methods of the intensification of the integration process; the more and more complete coverage by joint planning activity of scientific and technology,

production (including investment activity) and circulation; the combination of bilateral and multilateral cooperation.

The Comprehensive Program of Socialist Economic Integration, which was adopted in 1971 and was designed for 15-20 years, specified the fundamental goals and most important methods of cooperation, the main directions and tasks of its development in the different sectors of the national economy. It also outlined economic and organizational measures on the intensification and improvement of cooperation. During the past 10 years, as is emphasized in the communique on the 35th CEMA Session (July 1981), the member countries have ensured the largely successful fulfillment of the Comprehensive Program, although "when fulfilling the set tasks all the existing possibilities were not utilized." However, "the goals of cooperation, which are stipulated in this document, also retain their urgency for the future."

The five long-term goal programs of cooperation in the most important sectors of physical production (in the area of energy, fuel and raw materials, machine building, foodstuffs, industrial consumer goods, transportation) are of great importance for the intensification of integration. These programs were adopted in 1978-1979, and their realization is planned for the period up to 1990. They specified the directions of the comprehensive solution of major national economic problems of a long-range nature on the basis of the increase of the interaction of the economies of the CEMA member countries, they are aimed first of all at the development of multilateral forms of cooperation. The adoption of the programs along with a series of bilateral long-term programs of the specialization and cooperation of production means that the CEMA countries have elaborated a fundamental plan of economic cooperation for the future period.

The success of joint activity is also promoted by such a form of it as the coordinated plan of multilateral integration measures, which was adopted for the first time for 1976-1980. The new plan for 1981-1985 was approved by the 35th CEMA Session. These plans are a compendium of mutual obligations on several most important specific measures of cooperation, which are connected with the joint construction of a number of economic projects, the specialization and cooperation of the production of several types of products, the solution of a number of scientific and technical problems, measures on standardization, as well as special measures which contribute to the development of the economy of the Socialist Republic of Vietnam, the Republic of Cuba and the Mongolian People's Republic. There have been included in the coordinated plan for 1981-1985 several of the measures, which should be implemented during this period in conformity with the long-range goal programs of cooperation.

Special sections devoted to the participation of the given country in integration measures have been introduced in the national economic plans for the strengthening of the connection of joint planning activity with national planning and the increase of the responsibility of national organs for the fulfillment of the obligations of their country.

However, the success of the use of this tool of joint planning activity in different areas is very different. The role which the cooperation of the CEMA member countries can and should play for increasing the efficiency of the economy of these states has still not been properly supported. At the 26th CPSU Congress and the congresses of the Communist and Workers Parties of the other socialist countries, which have been held in recent years, during the Crimean meetings of L. I. Brezhnev

with the leaders of the fraternal states and in the process of the implementation of socialist economic integration the urgent questions of the improvement of cooperation were raised in depth and on a large scale and important conclusions on the means of solving them were advanced. Increasing attention is being devoted to the tasks which are of exceptionally great importance for integration, but still are not always being solved in good time.

Among these tasks are the long-term resource backing of joint integration measures; the timely coordination of the economic conditions of the involvement of the countries; the elimination of the elements of the scarcity of goods on the world socialist market by the stimulation of the role of production on the basis of the international division of labor and the creation of conditions which are conducive to the appearance on domestic markets of already produced goods. An important role also belongs to the assurance of the stricter conformity of the bulk of credit assets to their potential backing with goods, the increase of the quality of the goods being supplied, the assurance of their conformity to the leading scientific and technical level and so on.

The joint measure, the implementation of which is accompanied by the regulation of its backing with resources and by an understanding on the prices for the products and on other economic conditions of cooperation, yields the greatest impact. Moreover, such a development of mutual economic relations, in case of which the balance of the needs and resources with respect to individual types of products is combined with the rationalization of the pattern of national production, yields the national economy of each country a substantial impact. The accomplishment of these tasks will make it possible to increase the effectiveness of cooperation for each country, expedites socialist economic integration and promotes the all-round consolidation of the socialist community.

An Important Element of the Integration Process

The intensification of the integration process presumes the interconnection of the national sets of national economic tasks of the CEMA countries and the means of their accomplishment, that is, the coordination of their economic policy as a whole. It will constitute the core of the economic cooperation of the fraternal states, which will be developed not only on basis of common goals and principles and jointly elaborated directions, forms and methods, but also on the basis of the interconnection of the national concepts of growth.

The coordination of economic policy as a whole is to a significant extent a new aspect of cooperation, which is designed for the future and requires much work. It is clear that success in many ways depends on a realistic understanding of the possible content of the process of coordination (the breadth of the range of questions, the degree of their concrete expression and penetration into the heart of the national economic proportions), its gradual enrichment, the search for effective forms and so on. It is a question, of course, not of the arbitrary unification of the economic policy of the different countries. It is inexpedient and impossible for the foreseeable future, since it would imply the disregard of its specific nature.

The economic policy in the different socialist countries, which is based on the knowledge and use of the laws of socialism, is characterized at the same time by

the common nature of the fundamental principles (uniformity) and by the national-state specificity of the specific problems and the methods of solving them. The uniformity of the policy of the different socialist countries is an expression of its fundamental conformity to the economic laws of socialism, to the laws of the development of the world socialist economy and to the norms of the interrelations of the fraternal countries. For all the uniqueness of the economic policy of each of the countries the common requirements of these laws, objective laws and norms should find reflection in it.

The main specific traits of the policy of the individual countries are dictated by the difference of the stages of the building of socialism and communism, at which they are. However, the setting of different tasks, which stems from this, and the choice of different means of accomplishing them reflect the differences in the conditions of the countries not directly, but through subjective appraisals. It is important for these appraisals to be as precise as possible, for the situation when incorrect notions lead to the disregard of the economic laws and principles of socialism to be eliminated. The uniqueness of the policy should serve the more successful accomplishment of the goals of the development of socialist society and should be manifested within the uniformity of the policy of the countries of the community. If the countries consistently follow the objective laws and principles of socialism, the specific nature does not undermine such uniformity.

At the same time, as a result of the maturation of the objective prerequisites, the progressive tendency for the elements of community in the policy of the countries of the socialist community to increase arises. It develops to the extent of the convergence and equalization of the levels of economic and social development of the countries, the increase of the similarity of the conditions of expanded reproduction, the transition to the solution of largely identical social problems and the tasks of the intensification of the economy and the internationalization of effective methods of management, as well as to the extent of the intensification of socialist economic integration.

By elements of community we mean not only the existence in the economic policy of the countries of criteria of decision making, directions and goals of the development of the national economy, means and methods of their achievement, which are similar in content or even identical. The interconditionality of certain sections or others of the policy of the different countries in the case of the coordination of their actions for the sake of the achievement of a common goal (for example, the accomplishment of socialist integration, the strengthening of the development of cooperation according to plan and so forth) or for the sake of the achievement of certain national specific goals or others (for example, the improvement of the balance in the national economy) is also meant.

Consequently, the tendency for the common nature of the economic policy to increase can appear, in our opinion, in two aspects. The first is the convergence of the content of the national economic tasks and the methods of their accomplishment. The second is the agreement, the coordination of the policy. The first aspect also forms automatically, as the economic and social conditions of the different countries come closer together. However, the sharing of know-how, the comparison of the conditions and measures of economic policy and the international dissemination of the decisions and methods, which revealed their effectiveness in one of the countries and can be used just as successfully in other countries, are of great importance in practice.

The coordination of economic policy is the conscious and purposeful rearrangement of certain aspects of it or others, the interconnected use of its tools on the basis of objective prerequisites and needs, as well as of the common concept of the goal and the means of achievement as applied to one economic problem or another. All this does not at all infer the obligatory similarity of the content of economic policy in the different countries. The policy of the states, which are solving different problems and are using different methods and means, also requires coordination. It should be a question not of the artificial convergence of these tasks and methods, but of the coordination of the potentials and needs of the given countries in mutual cooperation and of the taking by each of them of steps which are aimed at the increase of these potentials. The coordinated reorganization of the pattern of production and foreign trade for the intensification of the division of labor, the increase of the interaction and complementariness of the national economies in the interests of the more successful solution of the specific problems of each country and their overall development is more and more necessary.

The increase of the degree of maturity of socialist society and the all-round consolidation of the community of fraternal countries require the supplementing of the uniformity of their economic policy with its broader common nature. The increase of this common nature is becoming a natural trait of the socialist community. Of course, it is not an end in itself and is necessary only to the extent to which it is objectively dictated. The goal of the formation and strengthening of this common nature and its function are the more complete utilization of the economic laws of socialism, the laws and advantages of the world socialist economy in the interests of each countries.

The importance of the coordination of economic policy is increasing at the present stage. Without this for many countries it is very difficult and even impossible to achieve a balance in the sphere of fuel, energy, raw materials and several types of finished products, an equalized foreign trade balance and major changes in the rationalization of the pattern of production. The complication of the conditions of reproduction, which is being observed during the current five-year plan, urgently requires decisions which have been coordinated within the socialist community. The fact that by the middle of 1981 about 190 multilateral agreements on the economic, scientific and technical cooperation of the CEMA member countries were in effect, attests to the scale of the achieved coordination of specific measures.

The Aspects of Coordination

The coordination of economic policy implies such a coordination of national economic (domestic and foreign) tasks, in case of which the countries assist each other in their achievement. It envisages the coordinated use or the direct combining of the forces and assets of the cooperating countries and also includes national and joint measures on the creation of more favorable conditions of cooperation. Finally, the coordination also extends to the economic policy of these countries in their interrelations with third states. It is quite understandable that first of all there are needed the analysis of the current and long-range problems of economic development, which face the countries of the socialist community; the identification of the questions which require joint or coordinated actions; the finding of ways of pooling or coordinating efforts and the choice of the appropriate means.

The economic policy of a socialist country, which has been coordinated on an international scale, remains its own, sovereign national policy. However, it has specific elements which are common to the policy of other countries. Let us state exactly that it is a question here precisely of the common goal and joint or coordinated efforts. In this sense the jointly accepted basic assumptions about the means of solving problems of mutual interest and the specific measures which serve their accomplishment are its common elements. The set of the latter can be called the unified economic policy of all the cooperating countries.

The policy of implementing socialist integration is such a unified policy. The process of formulating this policy also takes place intensively in individual areas of the activity of the fraternal countries. A unified policy is formulated, for example, for the development of several and the creation of a number of new key directions of scientific and technical progress, the complete renovation of some already existing works, the solution of the energy problem by the development of atomic energy and so on.

For example, it is envisaged by the long-range goal program in the area of energy, fuel and raw materials to increase the capacity of nuclear electric power stations in the CEMA countries by 1990 to 120,000 MW as against 17,800 MW in 1980. The capacity of nuclear electric power stations, which is planned for 1990, is equivalent to the saving of 240 million tons of conventional fuel a year. The coordinated measures will make it possible to meet completely the needs for equipment for nuclear electric power stations by means of domestic production. An agreement on the multilateral specialization and cooperation of the production and reciprocal deliveries of equipment for nuclear electric power stations for the 1980's has been concluded by the interested CEMA member countries and Yugoslavia. It is planned to produce approximately 50 percent of the basic equipment in the USSR and the remaining 50 percent in the other countries which are parties to the agreement. About 50 industrial associations and enterprises of 8 states are included in the cooperative production of the equipment for nuclear electric power stations.

Close cooperation has enabled the CEMA countries to solve practically all the questions of the creation of the capacities of a new sector of machine building--the production of computers. By 1973 the series production of six models of the Ryad-1 Unified Computer System, the range of the capacity of which was 3,000 to 500,000 operations a second, had been assimilated in the countries of the community. In 1981 international tests of the first computers of the new Ryad-2 series with a capacity of 1 million to 4 million operations a second were conducted. At present the designing of models of the Ryad-3 series with a capacity of 5 million operations a second is being carried out. The production volume of computer hardware in the CEMA countries during the past 10 years has increased more than 6-fold, while the volume of reciprocal deliveries has increased more than 23-fold. Now the CEMA countries are meeting their needs for computer hardware by means of domestic production and reciprocal deliveries. Here the concentration of production, which has been achieved on the basis of the international division of labor, is making it possible to increase series production by three- to fourfold and to increase labor productivity by 2- to 2.5-fold.

It goes without saying that the coordination of economic policy cannot be confined only to individual problems in one area of the economy or another. The need for

a certain coordination of the global strategic aims of the socioeconomic development of the countries and of their concepts of economic growth is gradually increasing. In the end a system of coordinated national concepts of economic growth, which are oriented toward the maximum possible use of the advantages of socialist integration, should be created. The very interconnection of these concept can be most sound, if it is based on a system of the distribution and development of productive forces, which would ensure the most effective complementariness of the national economic complexes.

The theoretical analysis and generalization of the experience being gained makes it possible to conclude that the coordinated economic policy is a policy which is based on joint solutions of the major national and common problems of the socialist community. It stems from the coordinated goals of the cooperating countries and the means of their achievement, takes into account the conditions of the partner countries and is aimed at the planned and efficient cooperation of the national economies. The coordination of the five-year plans and especially the long-range goal programs of cooperation and a number of others forms of joint planning activity, which are already in use, in part are making it possible right now to accomplish some of the tasks of coordinating the policy, although not fully.

The changeover to the more and more extensive coordination of policy does not replace the established forms of joint planning activity but, on the contrary, is called upon to strengthen and increase their effectiveness. It provides a new stimulus for the improvement of the coordination of the five-year plans of the CEMA countries, facilitates the drafting and coordination of the plans for a longer period, creates better conditions for the coordination of the different multilateral long-range goal programs of cooperation and bilateral long-range programs of the specialization and cooperation of production and strengthens the goal program approach to national planning.

The international factors of economic growth, which prevail in the community, and collective experience are better taken into account in the process of coordinating the policy. Consequently, the more precise determination of the possibilities of the growth of each countries, its cooperation with the economy of the fraternal countries and the intensification of the international socialist division of labor is taking place. Coordination covers the problems of economic growth, which directly or indirectly depend on the combining of the resources of the cooperating countries or the sharing of these resources.

Subsequently the common problems of the community or the individual countries, which require joint efforts, will be identified and taken into account more thoroughly in the economic policy. Here the sharing of the experience of solving socioeconomic problems is being expanded, the policy of each country is being enriched by the effective forms and methods which have been elaborated in the practice of other countries. The interrelations with states of the other social system and the assurance of a successful course for socialism of the economic rivalry of the two world systems will hold an important place in the process of coordination.

Obviously, the system of measures, which is aimed at the strengthening of the complementariness of the structures of the economy of the individual countries and the intensification of the international specialization and cooperation of production,

will be the most important result of coordination. These measures may cover the production of capital equipment, the pattern of capital investments, the "fitting" of reciprocal exports and imports to the economically sounder needs of the economy and so on.

Thorough production, scientific and technical cooperation will assume a leading role in the cooperation of the CEMA member countries. The 1980's should become a period of the intensive development of this process. For a number of directions the tasks have already been specified and the necessary measures have been outlined. This pertains to the organization of a unified standardized electronic base for electronic equipment, means of communication and computer hardware; sets of equipment for the open-cut mining of minerals. Particular attention will be devoted to the orientation of production toward the development and assimilation of advanced types of technology, particularly energy-saving technology. The process of improving the pattern of the commodity exchange has to be intensified.

The stage when so-called raw material integration, which was based on the rapidly increased deliveries of fuel and raw material resources from the USSR to the fraternal countries, predominated in the process of the mutual complementing of the economies, has already passed. The distribution of production programs in the processing industry is becoming the main factor of the further intensification of the division of labor and the development of the commodity exchange. The reciprocal deliveries of all goods should take into account the possibilities of saving fuel and raw material resources and the requirements of scientific and technical progress.

The need to increase the international mobility of production resources, including capital investments and manpower, stems from the tasks of the intensification of socialist integration. This presumes the further strengthening of the planned nature of the use of all forms of cooperation, and along with this the more active use of the stimulating role of commodity-money levers. It is obvious that the coordination of policy cannot but also encompass this latter aspect of cooperation.

The coordination of the long-range planning goals of the development of the economy, as well as of those aspects of domestic economic policy, which are not directly connected with international cooperation, is an especially complex problem. Apparently, given the present increase of the mutual influence of the national economies these questions may become more and more often the subject of coordination on the international level. However, it will probably be not direct, but mediated, through the coordination of policy on the backing of economic growth with various types of resources.

One of the significant manifestations of the process of the convergence of the national economies of the CEMA countries is the convergence of their economic mechanisms, which broadens the prerequisites of the intensification of cooperation. This pertains first of all to those "blocks" of the national mechanisms, by means of which the management of foreign economic relations is carried out. The system of this management is different in different countries, which is not conducive to the development of cooperation. The process of improving the national economic mechanisms, including the strengthening of the organizational and economic ties between industry and foreign trade, stimulates efficient production activity. All this also creates better conditions for the improvement of the "foreign economic block" of the economic mechanism.

At present in the case of the common nature of the fundamental tasks and directions of improvement these mechanisms are in many ways different, and the differences at times are even increasing. To a certain extent this can adversely affect the integration process. The principle of efficiency, of course, should be the cornerstone. Successful solutions of individual problems exist in each country, and collective experience of elaborating and testing a set of measures on the improvement of the methods of management is gradually forming in the socialist community.

The countries of the socialist community are proceeding on the basis that the optimality of their mutual economic relations is achieved only in the case of the meeting of the interests of all the participating countries. In the report at the 26th CPSU Congress L. I. Brezhnev emphasized that "...the Soviet Union, like our socialist parties, is striving for the relations to be mutually advantageous in all respects." He also noted the importance of "the thorough understanding of the inseparable community of interests of the fraternal countries," "the proper combination of the interests of each of the fraternal countries and the common interests," the consideration of those "special instances when friends need outside assistance."

When coordinating their economic policy the countries of the socialist community may also be confronted with conflicting interests in the case of the solution of specific national economic problems and the choice of the forms and conditions of some measures or others. This conflict of interests is overcome in the practice of cooperation by different means. First of all by the efforts of each country on the improvement of the economy, the increase of the efficiency of social production, which increases the opportunities of the realization of the advantages of the international socialist division of labor and other forms of participation in international economic relations.

The coordinated and joint measures on changing the conditions of exchange by the activity between states act in the same direction. The distribution of production programs, which enables a country, which specializes in a specific type of product, to increase the production volume and to improve its indicators, can serve as an example. Here the improvement of the national economy also occurs, but on the condition of the voluntary reorganization of participation in the international socialist division of labor.

The conflict of specific current interests is also overcome by means of compromise decisions. Some adjustment of the influence of the objective conditions of cooperation on the value proportions of the exchange of goods, on the groups of goods being supplied in reciprocal trade and so on is the basis for them. Such adjustment makes it possible to find mutually acceptable versions of cooperation.

The systematic overcoming of the conflict of interests, which is inevitable to one extent or another, is in essence the realization in practice of the common nature of the fundamental interests of the countries of the socialist community. It has a firm objective basis and appears in all areas of life. In the economic sphere this common nature stems first of all from the fact that the requirements of the main economic law of socialism can be most successfully met only in the case of the pooling of the efforts of the fraternal countries, the more and more coordinated use of their resources and the joint planned formation of the foreign economic conditions of the development of the national economies.

But the community of the interests of the countries of the socialist community also has a broader basis. It is based on the solidarity of the peoples, their interest in the developemnt of all the countries of the community, the objective need for all-round cooperation for the achievement of the goals of the building of a new society in each country. All the countries of the socialist community are united by the community of goals and prospects, by the interdependence of the development of the economy and other areas of social life and by the recognized common historical mission in the matter of the social progress of mankind.

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TRADE WITH LDC'S

SOVIET TRADE RELATIONS WITH LDC'S DETAILED

East Berlin AW--DDR AUSSENWIRTSCHAFT in German 5 May 82 pp 2-3

[Text] The USSR maintains economic relations with a number of LDC'S on the basis of long-term bilateral agreements. Their validity extends to 1985 and in some cases even to 1990. On this basis numerous other development plans of these states in industry, agriculture and other spheres of the economy can be realized with the support of the USSR. The economic projects that have come into being with Soviet participation in many countries already account for a significant part in the production of their state sector and contribute to the achievement of their economic independence.

Democratic Republic of Afghanistan

Cooperation with the USSR plays an important role in the reconstruction and further development of the Afghan economy. The foreign trade relations between the two countries will become more extensive by 1985. During 1981-1985 the exchange of commodities is to increase threefold compared to the period 1976-1980. The USSR will primarily supply machinery and equipment, petroleum products, black metals, chemical fertilizers and construction materials.

The Democratic Republic of Afghanistan, in its turn, will export to the USSR, among other things, natural gas, cotton, wool, fruit and the products of skilled craftsmen.

The projects constructed thus far in Afghanistan with Soviet assistance produce presently approximately 70 percent of the output of the state sector.

During the coming years, the cooperation of the two countries in particular in projects that have already been put into operation will be continued, such as

- an irrigation canal and agricultural enterprises in Jalalabad
- the nitrogen fertilizer plant in Mazar-i Sharif
- the hydraulic power plant in Nagla,
- the large-slab plant for housing construction in Kabul, as well as
- the bakery-goods combine in Kabul.

The USSR is making an important contribution to the solution of the transportation problems of Afghanistan, in particular in road construction and the building of river ports. Beyond this, two thirds of the electric power of Afghanistan are produced in hydro- and thermo-electric power plants which were constructed with USSR assistance.

The deposits of natural gas, petroleum, copper, iron and coal discovered by Soviet geologists constitute the foundation for the development of a national industry in the north of the country. Of great significance, furthermore, is the industrial district of the capital that has come into being through Soviet-Afghan cooperation. In agriculture the USSR is granting assistance in irrigation. At present several hundred Soviet experts are working on projects in Afghanistan and numerous Afghan cadres are being trained.

Democratic and Popular Republic of Algeria

For the period 1981 to 1985 agreements concerning the further development of economic and technical cooperation were signed as the foundation for the foreign trade relations between the two countries. They deal, above all, with the spheres of industry, transportation, construction affairs, mining, professional training and agriculture. Important projects to be built jointly include, among others:

- a cement plant with an annual capacity of 500,000 tons in Djelfa;
- a spare parts shop in the foundry in El Hadjar;
- a sheet glass plant in Oran (expansion);
- 20 instructional centers for professional training;
- 4 dams for irrigation, as well as the supply of drinking water.

The USSR and Algeria intend to build joint projects in third countries as well. An example of this is already the expansion of a sheet glass factory shop in Iran by Algeria--a project in which the USSR participates.

Cooperation between the USSR and Algeria has a long tradition. Already by 1963 the two countries had signed the first agreement on economic and technical cooperation. More than 100 projects have come into being in Algeria with Soviet assistance or are under construction. Soviet geologists, for example, conducted the exploration of natural resources in Northern Algeria, as well as in the Ahaggar Mountains in the southern Sahara. Rich deposits of mercury, barite, tin, lead and other important raw materials were discovered.

The most significant project resulting from USSR-Algerian cooperation thus far, however, is the steel-works opened in El Hadjar in 1971, with an annual capacity of 410,000 tons. Prior to that the country only had a steel-works with a capacity of scarcely 20,000 tons.

People's Republic of Angola

The basis for the development of the relations between the USSR and the People's Republic of Angola is the Agreement on Friendship and Cooperation of 1976, which, among other things, envisages the deepening of economic and scientific-technical

cooperation in transportation, in agriculture and in the development of the energy economy. The aim of Soviet support is to overcome the great economic losses and set-backs resulting from the armed actions of internal and external reaction, and to develop industry as well as agriculture in Angola.

In accordance with the Agreement on Economic and Technical Cooperation of 1979, co-operation thus far focused on:

- the exploration of ore-deposits (including copper, lead, bauxite) or the construction of enterprises for the mining and processing of ores,
- the sending of Soviet specialists, in particular for the development of the energy economy, shipbuilding, agriculture, public health, and training,
- the construction of a ship-yard in Lobito, as well as
- the construction of state agricultural enterprises.

In February 1982 a program of economic, technical and commercial cooperation between the two countries was established for the years 1981 to 1985, as well as for the period to 1990. The document envisages the expansion of cooperation in many sectors of the economy, including agriculture. Thus experimental cotton plantations are to be created, a hydro-electric power plant is to be built on the Kwanza River, a large irrigation network for the irrigation of 400,000 hectares of land is to be installed, and a high-tension line of more than 480 kilometers in length is to be constructed.

Argentina

The USSR and Argentina have agreed on the further intensification of cooperation at this year's session of the Mixed Commission. To this end, an economic agreement for the years 1982 to 1985 was concluded, which among other things envisages the export of machines and equipment valued at approximately US\$ 500 million by the USSR. This agreement is an extension of the agreements of 1974 and 1979.

Argentina has developed into one of the largest trading partners of the USSR among the LDC's, next to India. During the year 1980 the turnover of goods between the two countries quadrupled and it again doubled in 1981. It reached a magnitude of US\$ 3.3 billion in round figures.

The governmental agreements signed at the beginning of the 1970's constituted good prerequisites for this rapid development in the relations between the two countries.

On the basis of a governmental agreement concluded in 1979, energy equipment, oil drilling equipment, mining technology, conveyor technology, and trucks were exported by the USSR predominantly for the state sector of Argentina. At present turbines and generators are being supplied for the large Argentine-Uruguayan hydro-electric power plant of Salto Grande, as well as equipment for the Argentine thermo-electric power plants of Costanera 7 and Baia Blanca. Furthermore, the USSR is participating in the development of the technical plan for the water-works complex of Parana-Medio. The export of heavy water and semi-manufactured articles for the production of zirconium pipes for nuclear power plants in Argentina is in the talking stage.

The traditional USSR-import of wool, grain, vegetable oil, leather, meat and lemons has developed quickly for the years 1980 to 1985 as the result of government agreements. Grain imports increased more than two-fold in 1980 by comparison with 1979.

Of great significance, moreover, is the government agreement on Argentine meat deliveries to the USSR. It regulates the annual supply of 60,000 to 100,000 tons of frozen meat during the years 1980 to 1985.

In addition, an agreement exists for 1980 to 1985 concerning the annual supply of 4 million tons of feed grains (corn and sorghum), as well as 0.5 million tons of soya by Argentina.

Socialist Ethiopia

Soviet-Ethiopian cooperation has successfully developed in many spheres during the past years. For 1981 to 1985 it was agreed to proceed with the accelerated realization of agreements already signed.

At the present time, both countries work jointly in

- the exploration of oil and natural gas deposits;
- the exploration of precious metals, in particular gold, as well as the mechanization of gold mining, and
- the modernization of the oil refinery in Assaba.

Further projects are

- the utilization of the rich water supply and the opening up of the land massif of Gambela (irrigation systems for 10,000 hectares of land);
- the construction of a cement plant with an annual capacity of 60,000 tons;
- the project preparation for plants for the production of nitrogen fertilizers and sodium hydroxide, as well as for hydro-electric power plants;
- the support in the erection of national construction enterprises;
- the development of professional training.

Brazil

The basis for the foreign trade between the USSR and Brazil is the trade and payment agreement of 1963. From Brazil the USSR imports mainly cacao and soya beans, vegetable oils, wool and leather. The most important exports of the USSR to Brazil are machines and equipment, fertilizers and medicines.

In the interest of the further development of mutual relations, it was decided to transform the Commission for Cooperation in Foreign Trade into a Mixed Government Commission for Commercial and Scientific-Technical Cooperation and also to make the transition to long-term contracts. To this end, the following significant documents have been signed thus far:

- a long-term agreement on the mutual exchange of commodities;
- the agreement on the bases of Soviet participation in the construction of the Ilha Grande Hydro-Electric Power Plant;
- an agreement on technical support in the exploration and mining of oil;
- a licensing contract for the production of ethanol from wood (USSR license to Brazil).

India

In February 1982 the USSR and India concluded another agreement on scientific-technical cooperation during the session of the Mixed Commission. This agreement regulates cooperation in new areas, including nuclear fusion technology and laser technology.

On the basis of the long-term Program for Cooperation in the Economy, Trade, Science, and Technology, signed in 1979 in New Delhi, the USSR is working with India in the development of metallurgy, machine construction, oil and coal mining industry, agriculture, geological exploration, and in the timber processing, pharmaceutical, chemical, as well as cellulose and paper industries.

Concrete projects of cooperation during the next few years are, for example:

- the completion of a nuclear power plant in Madras;
- the erection of a thermo-electric power plant with a capacity of 1 million kilowatt hours in the first phase of construction;
- the exploration of oil deposits, among others in the states of Tripura and West Bengal, and coal deposits, including open-pit mining in Jayang, Jandschra, and Jaria;
- expansion of the capacity of the metallurgical plants of Bhilai and Bokaro to 5 and 5.5 million tons of steel a year respectively;
- construction of the 3rd metallurgical center in Vishakhapatnam (production: 1.2 million tons of liquid steel beginning in 1985);
- construction of a clay factory with a capacity of 600,000 to 800,000 tons a year.

During the period 1981 to 1985 the exports from the USSR to India will mainly encompass machines, equipment and spare parts, petroleum and petroleum products (1981: 4.75 million tons), fertilizers, metals, cotton, newsprint, and breeding sheep.

Imports from India to the USSR will include, above all, agricultural products (tea, coffee, jute), chemical products (pharmaceuticals), cosmetics, textiles (knitted goods, cotton fabrics), as well as diverse, partly technical industrial products (car batteries, cable, polygraphic equipment). India is one of the largest trading partners of the USSR among the LDC's. The USSR is the third largest partner of India in export as well as in import.

The approximately 70 enterprises built with assistance from the USSR in 1980 produced approximately 80 percent of all products in heavy machinery construction in the Indian economy, 31 percent of the steel, 20 percent of electric power, 70 percent of petroleum products, and 16 percent of the iron ore. Production cooperation has developed with the enterprises of heavy machinery construction in Ranchi and the enterprise for mining equipment in Durgapur, which made possible the fulfillment of large-scale orders for the USSR, as well as the realization of Soviet orders in the People's Republic of Bulgaria, the Socialist Federal Republic of Yugoslavia, and Turkey, and which is to be continued.

Socialist People's Libyan Arab Jamahiriya

In 1972 the USSR and Libya signed the first agreement on economic and technical cooperation. This agreement concentrates on important branches, such as energy economy, metallurgical industry, petroleum and natural gas industry, geological exploration, agriculture and public health.

Since that time a stable development has taken place in the economic, scientific-technical and trade relations among the two countries on a mutually advantageous basis.

The USSR supplies Libya primarily with machinery and industrial equipment (machine tools, tubes, and automobiles), as well as building materials and household goods. Imports from Libya to the USSR include, above all, fuels, mineral fertilizers, and metals.

In the conclusion of the talks held in May 1981 in Moscow, the main directions of cooperation for the 1980's were set down in June 1981 as follows:

- joint research in the Center for Nuclear Research in Tashura, which is scheduled to go into full operation in 1982 (the 1st construction phase was completed in 1980);
- construction of a nuclear power plant with a capacity of 880,000 kilowatt in Libya;
- erection of a high-tension network within the framework of the creation of a uniform Libyan energy system by the year 1995 (at present a contract for the construction of a 370-kilometer-long 220-kilovolt line is being realized);
- expansion of cooperation in the petroleum and natural gas extraction industry;
- expansion of the Misratah Foundry (annual production: 5 million tons of steel);
- cooperation in the production of protein from petroleum raw materials;
- training of Libyan cadres in the USSR or construction of training institutions in Libya.

The reciprocal exchange of commodities amounted to about 450 million rubles in 1980. Both countries are interested in its accelerated development and endeavor to take in new goods in the reciprocal trade. The Soviet side has declared its willingness to expand the deliveries of machines and equipment in accordance with the needs of Libya.

People's Republic of Mozambique

The main directions of the economic and technical cooperation between the USSR and the People's Republic of Mozambique were agreed on in 1980. The following items are involved:

- technical assistance in the development of a general plan for the water conservation use and comprehensive agricultural development of the Limpopo River Valley by the USSR;
- supply of agricultural technology [Landtechnik] and sending of specialists to increase cotton production;

--organization of the extraction and processing of ore deposits of the Mentala deposit beds (Thus the construction of a refining plant with an annual capacity of 80,000 tons of tantalite concentrate is planned);
--seismic prospecting drillings for petroleum and natural gas beginning in 1982;
--technical assistance in the development of three coal mines in Moatize with an annual mining capacity of up to 1 million tons of coal.

In conclusion of the negotiations within the framework of the Mixed Commission for Economic and Technical Cooperation, a long-term program of cooperation in Business and Trade was signed for the years 1981 to 1990, as well as protocols concerning Soviet assistance in the development of agriculture and the training of national cadres. In agriculture, moreover, the establishment of three experimental cotton plantations in the province of Nampula and one in the province of Sofala, as well as a research center for cotton-growing is envisaged.

Nigeria

The economic and technical cooperation between the USSR and Nigeria will focus on the following areas during the next few years:

--construction of a foundry in the area of Ajackunta. The first construction phase is to have an annual production capacity of 1.3 million tons of steel at its disposal by 1986. In the final stage the annual capacity is to amount to 5 million tons.
--introduction of modern methods in oil extraction, among other things through the construction of pipeline systems and pumping stations;
--training of national cadres, among other things construction of a training center for skilled construction workers with 2,000 places;
--cooperation in the construction of an agrarian-industrial complex for the production of 100,000 tons of sugar a year.

Syrian Arab Republic

The agreement on friendship and cooperation between the USSR and the Syrian Arab Republic of October 1980 stipulated, among other things, the constant consolidation and expansion of the mutually advantageous economic and scientific-technical cooperation in industry, agriculture, water conservation, the use of petroleum and other natural resources, in telecommunications, traffic, and in the training of national cadres.

During the period from 1981 to 1985, the exchange of commodities is to increase by 150 percent and reach almost 2 billion rubles. In addition to machines and equipment, it is envisaged that Soviet exports will also include products of ferrous metallurgy, chemical products, as well as commodities of the timber-processing industry.

The Syrian Arab Republic is planning the growing export of petroleum and intermediary petroleum products, as well as deliveries of consumer goods (knitted goods, cosmetics), untanned leather, and cotton to the USSR.

In 1980 the USSR received 23 percent of the Syrian export of cotton, 55 percent of the wool export, 63 percent of the export of fabrics, and 85 percent of knitted goods.

Focal points of the economic and technical cooperation are:

- the construction of transportation arteries, including more than 250 kilometers of railway track;
- the construction of hydro-electric power plants;
- the construction of agricultural projects; and
- the training of cadres.

Up to now 50 different projects have been or are being built with assistance from the USSR, including the hydro-electric power plant on the Euphrates River, which produces 85 percent of the electric power of Syria, 1,675-kilometer-long electric power lines, the construction of petroleum extraction, the expansion of the high sea port of Latakia and the expansion of the irrigation system.

Important projects, furthermore, include the development of utilization schemes for the water resources of the Jarmuk basin and the supply of 10 drilling installations for oil and natural gas.

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TRADE WITH LDC'S

TEXT OF SOVIET-TURKISH TRADE PROTOCOL PUBLISHED

Ankara RESMI GAZETE in Russian No 17643, 24 Mar 82 pp 18-39

[Twenty-Third Protocol to Trade and Payment Agreement Between the Turkish Republic and the Union of Soviet Socialist Republics of 8 October 1937]

[Text] The Government of the Turkish Republic and the Government of the Union of Soviet Socialist Republics for purposes of easing, developing and balancing trade turnover have reached an agreement to set up lists of goods for import and export in trade between the two countries in the period from 1 January 1982 to 31 December 1982 and in this connection have agreed to the following:

Article 1

Soviet goods, submitted for export to the USSR, are enumerated in conformity with lists "A" and "B", subjoined to the present Protocol.

The competent organs of both countries will immediately issue the proper import and export permits in instances where prior obtaining of permits is required for the import or export of such goods.

Article 2

Both Governments within the limits of their competence will provide every possible assistance to the accomplishment of export and import of goods specified in lists "A" and "B", referred to in article 1 of the present Protocol, for the purpose of realization of the contingents established by the said lists.

Article 3

Goods that are not specified in lists "A" and "B" as well as those goods for which the established contingents in the said lists will be exhausted may also be the subject of trade between both countries on the condition of agreement by competent organs of both countries.

Article 4

In everything not provided for by the present Protocol, the Trade and Payment Agreement Between the Turkish Republic and the Union of Soviet Socialist

Republics of 8 October 1937 will be used with changes introduced into it by the Supplementary Protocol of 2 March 1971 and the Treaty on Trade and Navigation between the Turkish Republic and the Union of Soviet Socialist Republics of 8 October 1937.

Article 5

The present Protocol comes into force on the date of its signing and will be operative through 31 December 1982. But its provisions will be applied as of 1 January 1982.

Concluded in Ankara on January 1982 in two copies, each in the Turkish and Russian languages, with both texts possessing the same force.

On the authority
of the Government
of the Turkish Republic

Dincher Asena

On the authority of the
Government of the Union
of Soviet Socialist Republics

M.I. Kuznetsov

Appendix to the Protocol
of January 1982

LIST "A" of Goods for Export from the USSR to Turkey

Item number	Turkish customs tariff position number	Goods designation	Contingent in U.S. dollars
1.	15.05.10	Pure lanolin	50,000
2.	25.02	Uncalcinated iron pyrites	As per memorandum
3.	25.24	Asbestos	10,000,000
4.	27.10.31	Diesel fuel	35,000,000
5.	27.10	Furnace fuel oil	9,000,000
6.	28.03.21	Carbon black from petroleum products	As per memorandum
7.	28.10.20	Phosphoric acid	50,000
8.	28.16	Ammonia	12,000,000
9.	28.17.12	Caustic soda	250,000
10.	28.36.10	Sodium hydrosulfate	150,000
11.	28.37.20	Sulfites and hyposulfites	25,000
12.	28.40.11	Sodium phosphate	25,000
13.	28.40.49	Other phosphates	30,000
14.	28.47.35	Sodium bichromate	250,000
15.	28.47.36	Potassium bichromate	250,000
16.	28.54.10	Perhydrol (with a content of free oxygen of no less than 30%)	400,000
17.	28.55.20	Pure zinc phosphide	50,000

Item number	Turkish customs tariff position number	Goods designation	Contingent in U.S. dollars
18.	29.02.50	Trichloroethylene	100,000
19.	29.05.32	Terpin, terpin hydrate	
	29.35.43	Acridine and its derivatives	50,000
20.	29.13.20	Acetone	250,000
21.	29.14.42	Sodium acetate	100,000
22.	29.14.59	Other (excluding stearic acid)	50,000
23.	29.16.52	Sodium salts	
	29.16.59	Other (excluding malic acid)	
	29.19.10	Calcium glycerophosphate	
	29.19.90	Other	
	29.23.29	Other	
	29.25.24	Ureites (excluding amobarbital, barbital, cyclobarbital, pentobarbital, methylphenobarbital, phenobarbital, secobarbital and butalbital)	
	29.35.45	Dimethylaminophenyl pyrazolone (amidopyrine dimethylaminoanalgesin)	
	29.37.31	Phenolphthalein	
	29.38.30	Vitamin C	
	30.03.42	Soporifics (for the Office of Soil Products)	450,000
24.	29.15	Oxalic acid; noncyclic acids and their anhydrides, halogens, peroxides and sodium salts; dimethyl and diethyl esters of butylnitric malonic acid	100,000
25.	29.23.22	Novocaine (anoxycocaine)	15,000
26.	29.25.21	Carbamide (with a nitrogen content of 45% or higher)	
	31.04.10	Natural potassium salts	
	31.04.20	Potassium sulfate	
	31.04.90	Other	
	31.03.33	Trisuperphosphate	
	31.05.10,90	Mixed fertilizers	15,000,000
27.	29.25.24	Amobarbital, barbital, cyclobarbital, methylphenobarbital, pentobarbital, phenobarbital, secobarbital, butalbital	80,000
28.	29.29.10	Derivatives of hydrozite and thiosemicarbazite	
	29.29.20	Other	80,000
29.	29.35.59	Other (excluding dimethylethylene in solution with other chemical substances and reagents on the basis of phenolformaldehyde, thenalydin, alcoholic solution of furfurol (chloronin phosphate for Red Crescent Society)	70,000

Item number	Turkish customs tariff position number	Goods designation	Contingent in U.S. dollars
30.	29.36.00	Sulfamides	50,000
31.	29.42.28	Caffeine	
	29.42.31	Theobromine	
	29.42.39	Other (hypnotics for the Office of Soil Products)	
	29.44.12	Streptomycin derivatives and salts	
	29.44.14	Derivatives of chloromycetin salt (chloramphenicol)	
	38.19.29	Test cards, vaccine for dry tests, vaccine for water tests, calcium calcium morrhoxynate, diagnostic reagents of biochemical laboratories, ichthyol, ammonium sulfoichthyolate, ammonium sulfobituminate	1,200,000
32.	29.44.13	Tetracycline derivatives and salts	
	30.02.21	Vaccine against poliomyelitis	
	30.02.23	Vaccine against measles	
	30.02.29	Other microbic vaccines	
	30.02.39	Other	500,000
33.	30.05.90	Other (medicines for first aid, except for packing materials and medicine cases)	10,000
34.	31.02.40	Ammonium sulfate	35,000,000
35.	37.02.21	Motion-picture film (incombustible)	As per memorandum
36.	38.19.23	Thermocouples	25,000
37.	39.02	Products of polymerization and copolymerization (polyethylenes, polytetrahaloethylenes, polyisobutylene, polystyrene, polyvinyl chloride, polyvinyl acetate, polyvinyl chloroacetate and other derivatives of polyvinyl, indenocoumarone resins and so on)	As per memorandum
38.	40.11	Compartments [kamery] and covers (excluding compartments and covers for bicycles and motorcycles)	100,000
39.	44.03	Scales	3,000,000
40.	47.01.31	Bleached chemical pulp of high quality (soluble)	
	47.01.32	Bleached sulfate pulp	
	47.01.33	Unbleached sulfate pulp	
	47.01.34	Bleached sulfite pulp	
	47.01.35	Unbleached sulfite pulp	
	47.01.36	Semichemical pulp	
	47.01.39	Other kinds	9,000,000
41.	48.01.21,29	Paper 50-55 g/m ²	3,500,000
42.	48.01.30	Colored paper for production of carbon paper	

Item number	Turkish customs tariff position number	Goods designation	Contingent in U.S. dollars
	48.01.30	Printing	
	48.01.40	Printing and writing paper	
	48.01.50	Kraft paper	
	48.01.61,62	Sulfite wrapping paper	
	48.01.64	Blotting paper	
	48.01.67	Semicardboard in rolls for punch cards (155-180 g/m ²)	
	48.01.69	Other kinds of paper	500,000
43.	49.01.21	Textbooks: technical, scientific, art, vocational, art-study books (in foreign languages)	
	49.02.30	Daily or periodical political and trade newspapers; technical, scientific, art, professional and art-study journals	60,000
44.	68.04.20	Industrial abrasives	70,000
45.	68.05	Hand abrasive tool (of natural stone, of fired clay or sand)	15,000
46.	69.02.90	Other	50,000
47.	71.04	Diamond powder for industrial uses (for production of drills from hard metals, drilling bits, diamond rods)	As per memorandum
48.	73.02.21	Ferromanganese	
	73.02.23	Ferrosilicochrome	2,000,000
49.	73.02.22	Ferrosilicon	
	73.02.29	Other ferroalloys	5,000,000
50.	73.07.10	Blooms	
	73.07.20	Billet for rolling	12,000,000
51.	73.10	High-grade steel with a diameter of more than 5 mm	
	73.11	Sectional steel	6,000,000
52.	73.13.21	Hot-rolled	
	73.13.22	steel sheet	
	73.13.23	(uncoated)	
	73.13.24		3,000,000
53.	73.18	Steel pipe	2,500,000
54.	73.29.11	Transmission chains	
	73.29.12	Skid chains for motorized land-transport facilities	
	73.29.19	Other chains (except for caterpillar track)	
	73.29.91	Parts of chains (except caterpillar links, tracks, rollers, hinges and flanges)	45,000
55.	76.01.10	Aluminum	As per memorandum
56.	81.04.31	Cadmium	10,000
57.	81.04.32	Cobalt	
	81.04.34	Manganese	
	81.04.39	Other nonferrous metals	10,000

Item number	Turkish customs tariff position number	Goods designation	Contingent in U.S. dollars
58.	82.02	Saw blades; band saws for cutting metals; chain saws for sawing timber, saws for cutting marble and brick	10,000
59.	82.02.30	Disk saws	
	82.05.10	Drills; adjustable reamers and pipe reamers	
	82.05.20	Milling cutters	
	82.05.30	Tools for cutting thread on metal	
	82.05.40	Rolls (valki) for drawing wire	
	82.05.90	Other tools	100,000
60.	82.03	Hand tools (including files, one- and two-way star wrenches 32 mm and up to 1 5/16 inches, Allen wrenches to 19mm or 9/16 inch, standard wrenches to 32 mm and 1 1/4 inch, balloon wrenches to 32 mm, adjustable wrenches to 34 mm, open-jawed wrenches of the Stillson type to 600 mm, pliers and pincers, cutting tools, gouges, chisels, files for saws)	As per memorandum
61.	82.04	Other hand tools (excluding various vises, anvils, plastering trowels, axes, hammers, compass planes, jointing planes, scrapers, fret saws and parts for them, other hand tools without mechanical attachments, chisels, screwdrivers)	50,000
62.	82.13.20	Cutting parts of haircutters for animals	5,000
63.	82.13.32	Machines for shearing animals	30,000
64.	84.06	Internal-combustion engines (excluding outboard motors for boats and also diesel and semidiesel engines with a capacity of up to 34 hp)	400,000
65.	84.06.91-99	Parts and components (excluding cylinder sleeves of up to 200 mm)	600,000
66.	84.10.19	Pumps for fluids (excluding single- and multistage centrifugal pumps for water with a capacity of up to 250 m ³ per hour inclusively; pumps for diving operations with a capacity of up to 10 liters per second inclusively)	200,000
67.	84.10.91-99	Spare parts for pumps (excluding casings, carriers and spare parts for centrifugal and multistage pumps)	75,000

Item number	Turkish customs tariff position number	Goods designation	Contingent in U.S. dollars
68.	84.11	Pumps, motor-driven pumps, air and vacuum turbine pumps, compressors, air and gas motor-powered compressors, piston generators, fans; vacuum and air pumps for machines and means of transport (excluding hand pumps for inflating tires, centrifugal blowers up to 225 cm inclusively, axial fans up to 150 cm inclusively, hermetic compressors; air compressors up to 300 cubic feet per minute; air and vacuum pumps and turbine pumps that can be used as compressors)	250,000
69.	84.11.91-93	Spare parts for pumps and compressors (excluding casing, chassis, air compartments of compressors and pistons with a diameter of 35 to 150 mm)	50,000
70.	84.17	Autoclaves, sterilizers and laboratory equipment used in medicine	75,000
71.	84.18 59.17 48.21	Filters and parts for purifying water (excluding air filters and absorbers of up to 20 g of matter with a diameter of up to 1 inch and also absorbing substance used in refrigerators of up to 20 g inclusively)	25,000
72.	84.18.10	Separators (with a capacity of more than 100 l/hr)	
	84.18.20	Milk pumps and medical motor-powered centrifuges	
	84.18.30	Milk separators	100,000
73.	84.20.29	Scales with automatic reading	15,000
74.	84.23.91	Parts and components (excluding casing, casing and blades of different harvesting, earth-digging, tamping and loading machines, tracks and sets of chains, drums, segments drive wheels)	1,000,000
75.	84.24	Machines and units for field and market-gardening farming operations, for preparation and cultivation of soil, for sowing, machines for sowing peanuts and planting potatoes	

Item number	Turkish customs tariff position number	Goods designation	Contingent in U.S. dollars
		(excluding types of share and disk plows, cultivators, wire machines, combined drills for sowing grain crops and cotton made in Turkey)	
76.	84.25	Machines and units for harvesting and threshing agricultural products, for harvesting peanuts and potatoes and machines for baling hay	50,000
77.	84.25.91- 84.25.99	Spare parts for agricultural machines for crop harvesting (excluding blades for reapers)	500,000
78.	84.29.91	Spare parts for mill equipment (excluding casings and chassis)	125,000
79.	84.41.98	Parts and components for commercial sewing machines	250,000
80.	84.44.91	Crushing equipment	100,000
81.	84.45	Metalworking machine tools and forging and pressing equipment	400,000
82.	84.47.40 84.47.90 84.48.91 84.63	Bushings, gears, gear boxes and chucks for milling and drilling machines used in woodworking and coming under position 84.45 (excluding casings, stands and clamps, spindles with Morse taper of no more than 5)	4,000,000
83.	84.48.91	Parts and accessories for metal-cutting lathes indicated in position 84.45 (excluding casings, undercarriages, vises, spindles with Morse taper of more than 5, lathe chucks, shafts, gear boxes)	500,000
	84.48.92	Parts and accessories for woodworking lathes indicated in position 84.47 (excluding casings and undercarriages)	
	84.48.95	Parts and accessories for machines for stone working indicated in position 84.46 (excluding casings and undercarriages)	200,000
84.	84.49	Manual pneumatic or power tools (excluding tools with an electric motor, pneumatic pick hammer weighing from 15 to 20 kg and hammers from 25 to 40 kg, power shears)	150,000

Item number	Turkish customs tariff position number	Goods designation	Contingent in U.S. dollars
85.	84.61	Valves for gas and oxygen cylinders under pressure, valves for reducing pressure, valves-thermostats, electromagnetic valves, accessories for them, pressure regulators, steam valves for use in pressure of more than 40 atmospheres (excluding valves and detonators used in liquified-gas cylinders, in ovens using liquified gas, cylinders with liquified gas and oxygen, acetylene, carbon dioxide and also regulators and fire-prevention valves for oxygen, acetylene, propane, valves used in aerosol cylinders, spherical valves of gas ovens up to 3 inches in size (excluding 3-inch ones)	50,000
86.	84.62.11	Ball bearings	
	84.62.12	Roller bearings	
	84.62.13	Needle bearings	
	84.62.91	Balls for bearings	
	84.62.92	Rollers, needles for bearings	
	84.62.93	Bearing housings	
	84.62.99	Other	3,500,000
87.	84.63	Transmission shafts, levers, nests for bearings and others, including gear boxes of equipment for monorails, mobile hoisting cranes and deep water pumps with a capacity of more than 15 hp (excluding bearings of transmission shafts and other types of main and intermediate bushings, seals, reduction gear for washing machines and elevators, parts for sewing machines, rods, gear boxes and other parts for turning and drilling lathes, Cardan shafts for mobile agricultural machines with hydraulic drive of tractor, bearings of carbon and noncarbon steel	250,000
88.	85.01.20	Transformers (with voltage of more than 35,000 volts and capacity of more than 2,000 kva)	100,000

Item number	Turkish customs tariff position number	Goods designation	Contingent in U.S. dollars
89.	85.01.30	Electric generators and spare parts for them (excluding casing and undercarriage)	2,000,000 ¹
90.	85.01.51-52	Electric motors	1,000,000
	85.01.53-60		
91.	85.05	Electromechanical hand tools (excluding electric hand drills with stand; power shears, magnetic hand drills with stand)	400,000
92.	85.08.10	Ignition switches	
	85.08.30	Distributors	
	85.08.50	Bobbins	
	85.08.60	Generators (dynamoes)	
	85.08.90	Other	
	85.08.91	Spare parts (excluding automobile signal contacts)	180,000
93.	85.08.20	Spark plugs	70,000
	85.08.40	Magnetos	
94.	85.09	Electric light and signal equipment for bicycles and motor transport, windshield sipers, antiicing and antifogging devices	15,000
95.	85.11.13	Electric welding machines, including those with electric generators (excluding machines with transformers and seam-welding machines with transformers)	650,000
	85.11.14		
96.	85.11.91	Components, spare parts for electric welding machines (excluding stands and carriages)	100,000
97.	85.18	Electrical condensers	75,000
98.	85.19.16	Lightning arresters for more than 42 kilovolts	50,000
99.	85.19.19	Other switches (excluding knife switches, knife-switch cases and covers, circuit dividers used for internal objects, centrifugal switches and parts for them, commutators, all types of plugs and sockets, Parts of insulators, oil switches with a working voltage of up to 1,000 volts, star switches for a triangle of less than 35 amperes and small oil circuit breakers of up to 1,000 kva with a breaking force at a nominal current	

1. Including volumes set by operative contracts.

Item number	Turkish customs tariff position number	Goods designation	Contingent in U.S. dollars
100.	85.19.21	intensity of up to 1,600 amperes and a working voltage of 36 kv, small automatic circuit breakers of up to 250 amperes, star switches for a triangle of up to 100 amperes, contact relays and automatic switches with remote control of 4 to 250 amperes, thermal switches of 60-100-200 amperes to 1,000 volts of working voltage, switches of the magnetic type and of the automatic-exchange type)	200,000
	85.19.22	Resistances not used for heating	
101.	85.19.49	Potentiometers	75,000
		Selectors, headlight circuit breakers, contact keys, automatic switching buttons as well as signal relays, contacts, sockets (including signal button of steering wheel, reinforcement plates), signal plates, switches for motorized land transport specified in positions 87.01, 87.02, 87.03	50,000
102.	85.20	Electric bulbs and incandescent tubes and gas-discharge tubes used for illumination and ultraviolet and infrared irradiation; arc lamps; photo flash bulbs; bulbs used in contact photocopying machines (excluding lamps for mirror reflectors with a voltage of 24 to 250 volts and a capacity of 15 or more watts, normal, frosted, mushroom-shaped, opalescent, silicon, candle-shaped, spherical; discharge signal lamps, mercury lamps, fluorescent lights with a capacity of 20 to 40 watts; lamp bases, lamps for miners' lights, lights for surface transport; weak-current, two-electrode neon lights of the minion type 3.5mm to 7.5 mm inclusively)	100,000
103.	85.20.10	Headlight bulbs for motorized land transport included in positions 87.01, 87.02 and 87.03 (according to Turkish standard 1782)	30,000
104.	85.21.11	Electronic lights (excluding lights for television sets and indicators)	
	85.21.12	Transistors	50,000

Item number	Turkish customs tariff position number	Goods designation	Contingent in U.S. dollars
105.	85.21.90	Diodes, electronic lights, piezo-electric crystals, photoelectric components, integrated circuits; lights for electronic apparatuses (excluding those used in the production of television sets as well as weak-current two-electrode neon lights of the minion type 3.5 mm to 7.5 mm in size inclusively)	75,000
106.	85.24	Objects and parts from coal and graphite with or without metal used in electrical or electric-engineering operations (excluding brushes for electrical or electric-engineering machines and apparatuses)	150,000
107.	86.09.20	Pairs of wheels	2,000,000
108.	87.06	Parts, components and appurtenances for motorized land transport, included in positions 87.01, 87.02 and 87.03, (excluding body, chassis, riveted or cast segments, brake drums in assembled form, exhaust pipes, mufflers and mirrors)	750,000
109.	87.07.91	Other parts (excluding parts mentioned in positions 84.06.91-99 as housings and chassis for fork lifts, windshields, counterweights, mufflers and exhaust pipes, radiators, steering, pedals, facing panels, fuel tanks, hand brakes, engine fastenings, fork guides)	10,000
110.	87.12	Parts and accessories for motorcycles, bicycles and invalid cars, positions 87.09, 87.10, 87.11 (excluding frames, steering, cars, luggage carriers, mudguards, handlebars, rear forks, tools and tool bags, front forks for bicycles, sprockets, nipples and pedals)	150,000
111.	90.01 90.02	All types of lenses, prisms, mirrors and other optical instruments (excluding optical mirrors for shaving and large-size mirrors)	30,000
112.	90.05.00	Binoculars (with one or two eye-pieces) prismatic or nonprismatic	100,000
113.	90.07.20	Cameras	275,000
114.	90.07.91	Spare parts for cameras (excluding housing)	30,000
115.	90.08.10	Motion-pictures projectors	100,000

Item number	Turkish customs tariff position number	Goods designation	Contingent in U.S. dollars
116.	90.08.20	Surveying cameras	50,000
117.	90.08.91	Spare parts for motion-picture cameras (excluding housing, chassis, boxes)	30,000
118.	90.09.10	Fixed projection cameras	As per memorandum
119.	90.09.20	Photo enlargers	50,000
120.	90.12.10	Optical microscopes	500,000
121.	90.14.10	Compasses	10,000
122.	90.14.20	Telemeters	
	90.14.30	Geophysical tools and instruments	
	90.14.40	Meteorological tools and instruments	
	90.14.90	Other instruments	
	90.14.91	Spare parts for meteorological instruments	
	90.14.92	Spare parts for other instruments	100,000
123.	90.16.10	Measuring and drafting instruments and accessories (excluding drafting tables, protractors, angle gauges, balance levels, school sets of drawing instruments, shoemaking and tailoring instruments for drawing curves)	50,000
124.	90.16.20	Planimeters	
	90.16.40	Gauges	
	90.16.50	Profile projectors	
	90.16.60	Focometers	
	90.16.91	Spare parts	50,000
125.	90.16.30	Macrometers	30,000
126.	90.16.90	Other (excluding metal water levels, folding wooden meter rules as well as two, three and five meter steel rules on plastic or metal bodies)	10,000
127.	90.17.11	Electrocardiographs, phonocardiographs, cardioscopes	
	90.17.12	Electroshock apparatuses	
	90.17.13	Electrotherapeutic apparatuses	
	90.17.23	Stethoscopes	
	90.17.24	Transiometers	
	90.17.25	Surgical knives and scalpels	
	90.17.26	Instruments and apparatuses for anesthesia	200,000
128.	90.17.19	Other electric medical apparatuses	
	90.17.22	Needles	150,000
129.	90.17.29	Other instruments and apparatuses for medicine and surgery	
	90.17.91	Spare parts (excluding cylinders and spare parts for syringes)	50,000

Item number	Turkish customs tariff position number	Goods designation	Contingent in U.S. dollars
130.	90.17.39	Other stomatological apparatuses and instruments	
	90.17.90	Other	25,000
131.	90.19.10	Parts of prostheses	
	90.19.31	Hearing apparatuses	
	90.19.32	Orthopedic apparatuses	
	90.19.39	Other instruments	
	90.19.91	Parts and accessories	20,000
132.	90.19.20	Dental prostheses	5,000
133.	90.20.11	Radioscopy equipment	
	90.20.12	Radiography equipment	
	90.20.13	Radiophotography equipment	
	90.20.14	Radiotherapy equipment	200,000
134.	90.20.20	X-ray lamps	50,000
135.	90.20.30	Dyspositive generators of x-rays	25,000
136.	90.23.21	Thermometers	As per memorandum
137.	90.24.10	Manometers, excluding electric	
	90.24.20	Indicators, excluding electric	
	90.24.30	Thermostats, excluding electric	
	90.24.40	Regulators, excluding electric	
	90.24.50	Instruments for measurement, control and regulation of water, excluding electric	
	90.24.90	Other	200,000
138.	90.27.20	Kilometer counters	5,000
	90.28.10	Electrometers	
	90.28.20	Galvanometers	
	90.28.30	Wattmeters	
	90.28.40	Photometers	150,000
140.	90.28.10	Voltmeters and potentiometers	
	90.28.20	Ammeters	100,000
141.	90.28.90	Other (excluding electric indi- cators, regulators with a voltage of up to 1 kva and thermocouples for measuring the temperature of molten metals, instruments for measuring temperature)	100,000
142.	91.01	Wrist and pocket watches	225,000
143.	91.02.10	Alarm clocks	50,000
144.	91.04.10	Alarm clocks	200,000
145.	91.08.00	Other clock mechanisms	10,000
146.	91.11.91	Parts for pocket and wrist watches (excluding cases, frameworks and "plates")	

Item number	Turkish customs tariff position number	Goods designation	Contingent in U.S. dollars
	91.11.99	Parts for other clocks (excluding cases, frameworks and "plates," gears of the mechanisms of wall pendulum clocks with chimes; gears of mechanisms and indicators of control clocks)	30,000
147.	92.12.40	Teaching phonograph records and records of classical music	45,000
148.	94.02.10	Operation tables	As per memorandum
149.	Different goods	Components and assemblies for assembly industry	5,000,000
150.		Electric power	16,000,000
			with possibility of increase
151.		Other goods	15,000,000

Appendix
to Protocol of January
1982

LIST "B"
of Goods for Export from Turkey to the USSR

Item number	Goods designation	Contingent (quantity or sum)
1.	Livestock (large)	7,000 tons of live weight
2.	Olives	1,400 tons
3.	Bulb onions	5,000 "
4.	Refined butter	2,000 "
5.	Citrus fruits (lemons, oranges, mandarins, grapefruit and others)	50,000 "
6.	Fresh fruits and vegetables	1,000,000 U.S. dollars
7.	Concentrated fruit and vegetable juices	100,000 "
8.	Dried figs	4,000 tons
9.	Dried apricots (kaysa)	600 "
10.	Raisins with seeds	2,500 "
11.	Seedless raisins	14,000 "
12.	Filberts (in shell)	4,000 "
13.	Filbert kernels	22,000 "
14.	Processed filberts	As per memorandum
15.	Peanuts shelled and in shell	4,000 tons
16.	Beans	3,000 "
17.	Nutgall	300 "
18.	"Tiftik"	700 "

Item number	Goods designation	Contingent (quantity or sum)	
19.	Cotton fiber	3,000	tons
20.	Tobacco	7,000	"
21.	Alumina	80,000	"
22.	Bauxites	100,000	"
23.	Crushed barytes	100,000	"
24.	Magnesite refractory brick	70,000	"
25.	Calcium carbide	6,500	"
26.	Aluminum foil	1,000,000	U.S. dollars
27.	Celestite (sulfate of strontium)	7,000	tons
28.	Storax	6	"
29.	Solod	5,000	"
30.	Books, journals and newspapers	60,000	U.S. dollars
31.	Various chemicals	50,000	"
32.	Cosmetics and perfumery	100,000	"
53.	Phonograph records	45,000	"
54.	Ceramic ware	As per memorandum	
35.	Textiles		
	--cotton yarn	2,000,000	U.S. dollars
	--wool, cotton and other fabrics	5,000,000	"
	--underwear	3,000,000	"
	--trousers	300,000	"
	--bed linen	3,000,000	"
	--cotton and wool knitwear	3,000,000	"
	--other textiles (machine-made and handcrafted rugs, blankets and hosiery)	1,500,000	"
36.	Leather goods	6,000,000	"
37.	Other commercial products		
	--decorative tile	4,000,000	"
	--sanitary-technical equipment and fittings	2,000,000	"
	--wallpaper	1,000,000	"
	--soap powder and detergents	1,000,000	"
	--soap	500,000	"
	--toothpaste	500,000	"
	--shaving blades	2,000,000	"
	-- other commercial items	8,000,000	"
	--furniture		
	--synthetic and cellulose enamel		
	--melamine dishware		
	--eyeglass frames		
	--dish- and kitchenware made of stainless steel		
	--cable with plastic insulation		
	--linoleum		
	--footware of different kinds		
	--other articles		

Item number	Goods designation	Contingent (quantity or sum)
38.	Carbon black	As per memorandum
39.	Tomato paste	2,000,000 U.S. dollars
40.	Macaroni products	3,000 tons
41.	Voltaic cells and batteries	1,300,000 U.S. dollars
42.	Other goods	15,000,000 "

Ankara, 19 January 1982

Mr. Chairman:

Referring to the negotiations that have been held and in conformity with the Agreement between the Government of the USSR and the Government of the Turkish Republic on deliveries of equipment, materials and rendering of services by the Soviet Union to Turkey for the construction of certain industrial enterprises and on conditions of their payment of 25 March 1967, with the letters of the Parties of 21 August 1970 on the question of payments connected with the rendering of technical assistance to Turkey in the construction of Iskenderun Metallurgical Plants and with the Agreement between the Government of the USSR and the Government of the Turkish Republic on cooperation in expansion of the Iskenderun Metallurgical Plant, deliveries of equipment, materials and rendering of technical services for these ends as well as on conditions of their payment of 24 December 1972, I have the honor to confirm the agreement reached on the following:

To Mr. Dincher Asena
Chairman of the Turkish Delegation
Ankara

Goods designation	Sum in U.S. dollars
Tobacco	3,400,000
Filbert nut kernels	13,000,000
Citrus fruits	3,300,000
Raisins with seeds	250,000
Raisins without seeds	2,000,000
Olives	600,000
Fresh fruits and vegetables	--
Magnesite refractory brick	3,000,000
"Tiftik"	2,500,000
Wool, cotton and other fabrics	2,000,000
Wool and cotton knitwear and underwear	3,000,000
Leather goods	2,500,000
Other commercial products	2,050,000

Please accept, Mr. Chairman, assurances of my high regard for you.

Chairman of the Soviet Delegation
M.I. Kuznetsov

Ankara, 19 January 1982

Mr. Chairman:

Referring to the negotiations that were held and culminated in the signing on this date of the Twenty-Third Protocol to the Trade and Payment Agreement between the Union of Soviet Socialist Republics and the Turkish Republic of 8 October 1937 and in conformity with letters of the Parties of 9 January 1981 on the question of extension of the period of delivery of materials from the USSR to Turkey and of goods from Turkey to the USSR stipulated by the letters of the Parties of 16 December 1976 relative to the expansion of the Iskenderun Metallurgical Plant, I have the honor to confirm the agreement reached between us on the following:

1. There will be delivered for the expansion of the Iskenderun Metallurgical Plant from the Soviet Union to Turkey in the period of operation of the Twenty-Third Protocol rolled ferrous metals, metal structures and other materials in accordance with the letters of the Parties of 9 January 1981. The cost of the above-mentioned materials, which are to be delivered in 1982, and the expenses of their transportation on Soviet vessels will amount to 0.7 million U.S. dollars.
2. In payment of the delivery costs of the materials referred to in paragraph (1) and the expenses of their transportation amounting to a total sum of 0.7 million U.S. dollars, crushed barytes will be delivered from Turkey to the Soviet Union during the period of operation of the Twenty-Third Protocol.

To Mr. Dincher Asena,
Chairman of the Turkish Delegation
Ankara

3. With respect to all the rest that is not specified in the present letter, pertinent provisions will be used of the Twenty-Third Protocol to the Trade and Payment Agreement of 8 October 1937 and the letters of the Parties of 16 December 1976 and of 9 January 1981.

Please accept, Mr. Chairman, assurances of my high regard for you.

Chairman of the Soviet Delegation
M.I. Kuznetsov

Ankara, 19 January 1982

Mr. Chairman:

Referring to the negotiations that were held and culminated in the signing on this date of the Twenty-Third Protocol to the Trade and Payment Agreement between the Union of Soviet Socialist Republics and the Turkish Republic of 8 October 1937, I have the honor to confirm the agreement reached on establishment of a contingent for delivery from the USSR to Turkey of different machinery and equipment for a total sum of 65 million U.S. dollars over and above the contingents for machinery and equipment established in list "A" appended to the aforesaid Protocol.

On the strength of the indicated contingent, Turkish state and private organizations and firms will conclude, with the preliminary approval of Turkish organs recognized competent in conformity with existing legislation and the foreign-trade regime, contracts with pertinent Soviet foreign-trade organs for the purchase of different machinery and equipment. According to the concluded contracts, Turkish competent organs will immediately issue the necessary permits for importation of the machinery and equipment from the USSR to Turkey.

Please accept, Mr. Chairman, assurances of my high regard for you.

To Mr. Dincher Asena,
Chairman of the Soviet Delegation
Ankara

Chairman of the Soviet Delegation
M.I. Kuznetsov

Ankara, 19 January 1982

Mr. Chairman:

Referring to the negotiations that were held and culminated in the signing on this date of the Twenty-Third Protocol to the Trade and Payment Agreement between the Union of Soviet Socialist Republics and the Turkish Republic of 8 October 1937, I have the honor to confirm the agreement reached on the following:

In connection with the growth of volume of trade between our countries, the limit of technical credit existing at the present time in the amount of 5,066,000 U.S. dollars according to the account specified in article 4 of the Trade and Payment Agreement of 8 October 1937, modified by the Supplementary Protocol of 2 March 1971, is being increased temporarily and mutually to 40 million U.S. dollars for the period of operation of the Twenty-Third Protocol.

In case the balance of the account on the date of expiration of the time of operation of the aforesaid Protocol exceeds 5,066,000 U.S. dollars, the sum exceeding 5,066,000 U.S. dollars will be cleared off through deliveries of goods.

Please accept, Mr. Chairman, assurances of my high regard for you.

Chairman of the Soviet Delegation
M.I. Kuznetsov

To Mr. Dincher Asena
Chairman of the Turkish Delegation
Ankara

Ankara, 19 January 1982

Mr. Chairman:

Referring to the negotiations that were held and culminated in the signing on this date of the Twenty-Third Protocol to the Trade and Payment Agreement between the Union of Soviet Socialist Republics and the Turkish Republic of 8 October 1937, I have the honor to confirm the agreement reached in regard to motion-picture films (position numbers 37.06 and 37.07 of the Turkish customs tariff), which interested Soviet and Turkish organizations or firms may wish to sell to each other during the period of operation of the aforesaid Protocol under the condition of prior receipt of permits by competent authorities of both countries, contingents of 50,000 U.S. dollars are being established for each side.

Please accept, Mr. Chairman, assurances of my high regard for you.

To Mr. Dincher Asena
Chairman of the Turkish Delegation
Ankara

Chairman of the Soviet Delegation
M.I. Kuznetsov

Ankara, 19 January 1982

Mr. Chairman:

Referring to the negotiations that were held and culminated in the signing on this date of the Twenty-Third Protocol to the Trade and Payment Agreement between the Union of Soviet Socialist Republics and the Turkish Republic of 8 October 1937, I have the honor to confirm the agreement reached on the following:

During the operation of the aforesaid Protocol, the pertinent organs of both countries will not require the presentation specified in article 3 of the Trade and Payment Agreement of 8 October 1937 of certificates on the origin of goods exported by one or the other side with the exception of cases where a contractual price reduction is used for the imported goods.

Please accept, Mr. Chairman, assurances of my high regard for you.

To Mr. Dincher Asena
Chairman of the Turkish Delegation
Ankara

Chairman of the Soviet Delegation
M.I. Kuznetsov

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